

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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PIPELINE CONSTRUCTION LLC.,

Plaintiff,

-against-

Docket No.: 07 CV 10643
(SHS)(HP)

ANSWER

UNITED STATES LIABILITY INSURANCE
COMPANY,

Defendant.
-----X

Defendant, UNITED STATES LIABILITY INSURANCE COMPANY, by its attorneys,
MIRANDA SOKOLOFF SAMBURSKY SLONE VERVENIOTIS LLP, answering the plaintiff's
complaint:

THE PARTIES

1. Denies having knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph "1" of the complaint.
2. Denies each and every allegation contained in paragraph "2" of the complaint except admits that U.S. Liability is a foreign corporation duly authorized to issue insurance policies within the State of New York.

THE UNDERLYING ACTIONS

3. Denies having knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph "3" of the complaint.
4. Denies having knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph "4" of the complaint.

5. Denies each and every allegation contained in paragraph "5" of the complaint except admits that U.S. Liability issued policy number CL3055550 to Pipeline; properly disclaimed coverage for the reasons set forth herein; and begs leave to refer to same at the time of trial.
6. Denies having knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph "6" of the complaint.

ANSWERING THE FIRST CAUSE OF ACTION

7. As to paragraph "7", repeats the denials set forth above in answer to the allegations contained in paragraphs of the complaint numbered "1" through "6."
8. Denies each and every allegation contained in paragraph "8" of the complaint except admits that U.S. Liability issued policy number CL3055550 to Pipeline; properly disclaimed coverage for the reasons set forth herein; and begs leave to refer to same at the time of trial.
9. Denies each and every allegation contained in paragraph "9" of the complaint and begs leave to refer to the policy at the time of trial.
10. Denies having knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph "10" of the complaint.
11. Denies each and every allegation contained in paragraph "11" of the complaint.
12. Denies each and every allegation contained in paragraph "12" of the complaint and respectfully refer all questions of law to the Court for adjudication.
13. Denies each and every allegation contained in paragraph "13" of the complaint except admits that U.S. Liability has properly disclaimed.

14. Denies each and every allegation contained in paragraph "14" of the complaint.
15. Denies each and every allegation contained in paragraph "15" of the complaint.
16. Denies each and every allegation contained in paragraph "16" of the complaint.

ANSWERING THE FIRST CAUSE OF ACTION

17. As to paragraph "17", repeats the denials set forth above in answer to the allegations contained in paragraphs of the complaint numbered "1" through "16."
18. Denies having knowledge and information sufficient to form a belief as to the truth of the allegations contained in paragraph "18" of the complaint.
19. Denies each and every allegation contained in paragraph "19" of the complaint except admits that coverage has been properly denied for the reasons set forth herein.
20. Denies each and every allegation contained in paragraph "20" of the complaint.
21. Denies each and every allegation contained in paragraph "21" of the complaint.
22. Denies each and every allegation contained in paragraph "22" of the complaint.
23. Denies each and every allegation contained in paragraph "23" of the complaint except admits that coverage has been properly denied for the reasons set forth herein.
24. Denies each and every allegation contained in paragraph "24" of the complaint.
25. Denies each and every allegation contained in paragraph "25" of the complaint.

AS AND FOR A FIRST AFFIRMATIVE DEFENSE TO THE ENTIRE COMPLAINT, THIS ANSWERING DEFENDANT ALLEGES:

26. That the complaint fails to state a cause of action for which relief may be granted.

AS AND FOR A SECOND AFFIRMATIVE DEFENSE TO THE ENTIRE COMPLAINT AND FIRST COUNTERCLAIM, THIS ANSWERING DEFENDANT ALLEGES:

27. That U.S. Liability properly disclaimed coverage under its insurance policy to Pipeline.

**AS AND FOR A THIRD AFFIRMATIVE DEFENSE TO THE ENTIRE COMPLAINT
AND FIRST COUNTERCLAIM, THIS ANSWERING DEFENDANT ALLEGES:**

28. That there is no coverage under the U.S. Liability policy because the policy excluded bodily injury to employees of independent contractors of Pipeline.

**AS AND FOR A FOURTH AFFIRMATIVE DEFENSE TO THE ENTIRE COMPLAINT
AND FIRST COUNTERCLAIM, THIS ANSWERING DEFENDANT ALLEGES:**

29. That the U.S. Liability policy requires timely notice of occurrence, claim and suit, which has not been timely provided to U.S. Liability by the insured at bar.

**AS AND FOR A FIFTH AFFIRMATIVE DEFENSE TO THE ENTIRE COMPLAINT
AND FIRST COUNTERCLAIM, THIS ANSWERING DEFENDANT ALLEGES:**

30. That the U.S. Liability policy does not provide for insured contract coverage.

WHEREFORE, defendant, U.S. Liability Insurance Company demands judgment dismissing plaintiff's complaint with costs and disbursements and for a declaration that U.S. Liability is not obligated to defend and indemnify its insured with respect to the judgment sought against plaintiff arising out of the underlying action.

Dated: Mineola, New York
December 11, 2007

MIRANDA SOKOLOFF SAMBURSKY
SLONE VERVENIOTIS, LLP
Attorneys for Defendant
**UNITED STATES LIABILITY INSURANCE
COMPANY**



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